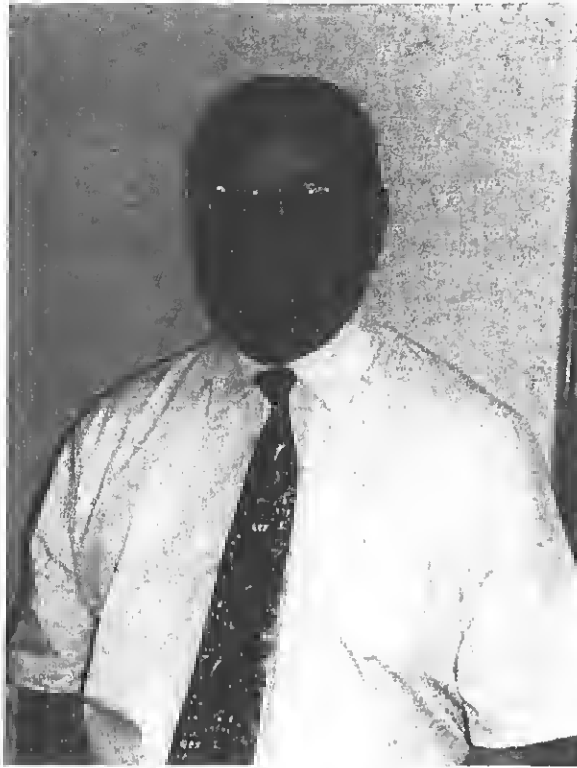


FOREWORD BY THE MUNICIPAL MANAGER



Service delivery is the municipality's core function and to ensure that Zululand District Municipality delivers, we have since made a pledge of service, honour and delivery to our community. This commitment is also reflected on our vision that of 'Service delivery through integrity'. Once again, our good service record give us much needed encouragement and drive when we do our strategic planning for the year ahead since we only strive to excel from what we managed to do the previous year. Zululand District Municipality is one of the few municipalities which have established platforms where all spheres of community including traditional leaders are represented. They are not just represented but have a say on municipal programmes and projects. Based on this background, we have since committed ourselves to build a structure for traditional leaders where they will run their daily service delivery affairs.

As management, we strongly believe in training our staff members as well as our councilors in order to capacitate them to effectively deliver services to our communities. In this financial year, which has the biggest budget we ever had as a district, we will continue with our endeavour to supply especially portable water and basic services to our needy communities. This of course is the biggest challenge taking into consideration the drought we currently face due to global warming. We, however are doing our outmost, through proper planning to deliver with the limited resources allocated to us by government. Since our inception, we have managed to spend 100% of funds allocated annually for capital projects. We really take pride at this as a district.

A special thanks to our Honourable Mayor, VZ KaMagwaza-Msibi and her entire Executive Committee, councilors and staff. Serving under her visionary leadership has always been encouraging as we are all driven by one goal, to deliver services to the masses of our previously marginalised communities. She has indeed been our inspiration and led by example to us all.

Municipal Manager,

Mr. J. H. de Klerk

CHAPTER 1: INTRODUCTION AND OVERVIEW

1.1 Introduction and purpose of the Annual Report

The Annual Report is a legal requirement in terms of Chapter 12 of the Municipal Finance Management Act, No 56 of 2003. The purpose of this report as per the Act is:

- To provide a record of the activities of the municipality;
- To provide a report on performance in service delivery and budget implementation; and
- To promote accountability to the local community.

The MFMA requires the municipality to report on all aspects of performance providing a true, honest and accurate account of the goals set by council and the success or otherwise in achieving these goals. The Annual Report is thus a key performance report to the community and other stakeholders.

In line with aforementioned, this report will be tabled in Council who must adopt an oversight report containing the Council's comments on the annual report. The annual report will also be made public and the residents and other stakeholders in the Zululand District will be given an opportunity to comment and submit representations in connection with the report, which comments and representations will be considered by the Council when adopting the oversight report.

1.2.Overview of the Municipality

Demographic Information

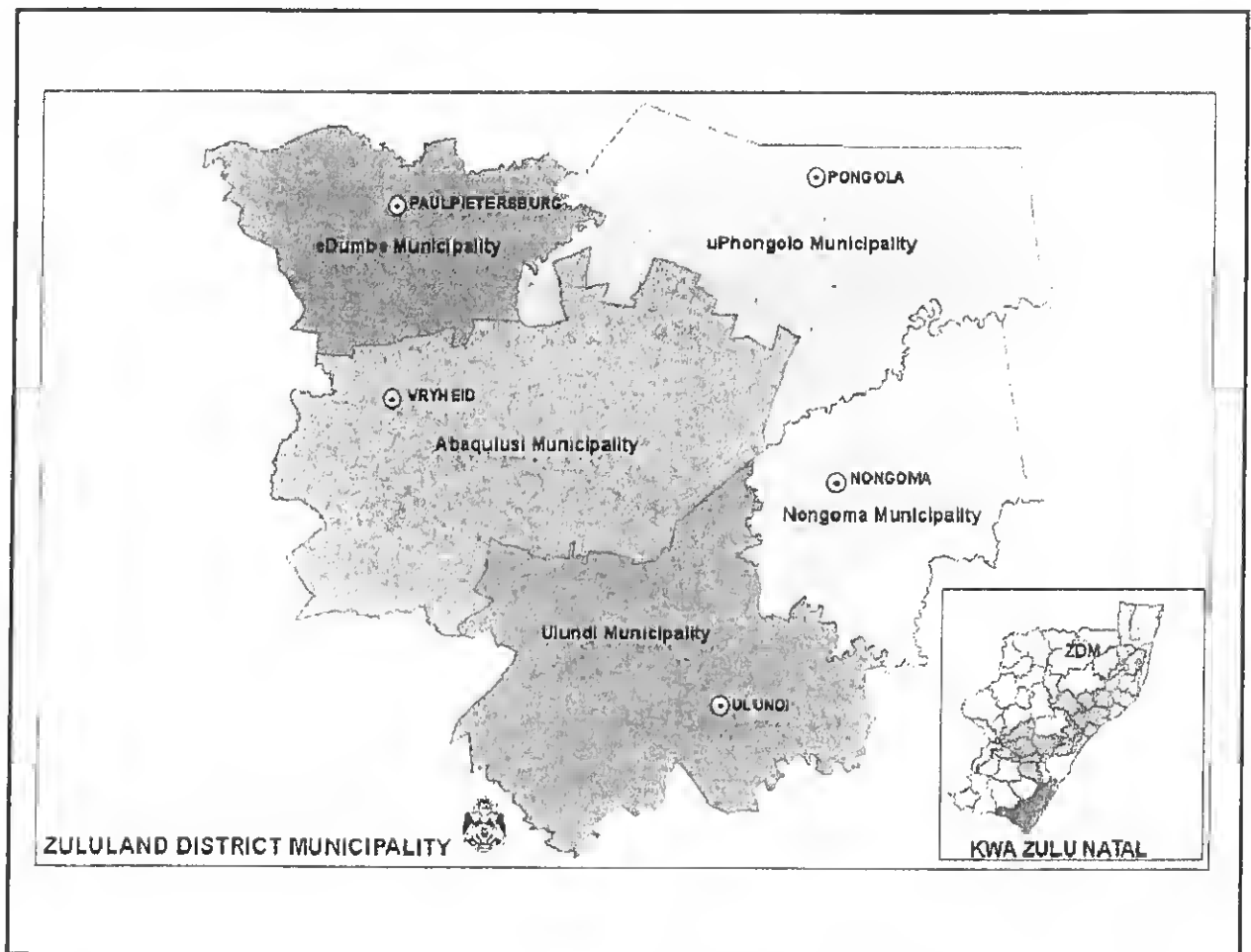
The Zululand District Municipality is one of the ten district municipalities in KwaZulu-Natal. It operates in the northern part of the province. Approximately half the area is under the jurisdiction of traditional authorities while the remainder is divided between commercially-owned farms and conservation areas. The area is predominantly rural and the population is sparsely dispersed over 14 810 km². The major towns forming part of the district are eDumbe, Abaqulusi, Nongoma, Pongola and Ulundi.

The district serves a population of 964 018 people of whom 74.6 % reside in the rural areas, with the balance in the urban and/or peri-urban areas. The district is characterised by high unemployment and poverty and, as such, the Zululand District Municipality has been identified as a Nodal Point.

The municipality is isolated from the national economy mainly due its location in relation to transport and distance from major centres. The traditional areas are poverty-stricken and depend upon the little economic output that is generated in the towns that are situated within the district.

Despite this negative backdrop against which the Zululand economy has to perform, there are unique characteristics that present a range of economic development opportunities in the district. These are in relation to tourism and agriculture. The former has started to play a larger role in the economy of area, although this does not fill the gaps caused by the closure of the mines. The mines have significant forward and backward linkages on all the economic sectors, particularly in Vryheid and the surrounding areas.

MAP OF THE ZULULAND DISTRICT MUNICIPALITY



The table below shows the population distribution per local municipality

Total Households count per Local Municipality						
		2001	2007			
LM Name	LM	Households	Households	Number of people	Growth	% Growth
Abaqulusi	KZ263	32312	36044	243766	3732	14%
eDumbe	KZ261	11611	15025	101614	3414	13%
Nongoma	KZ265	27947	34043	230233	6096	23%
Ulundi	KZ266	27957	35319	238862	7362	28%
uPongola	KZ262	16289	22112	149543	5823	22%
		116116	142543	964018	26427	100%

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		116116	142543	964018	26427	100%

A few key statistics are summarised hereunder:

INDICATOR	ZULULAND
Area	14 810 km ²
Population (2007)	964 018 people
Households	142 543
People per Household	6,763
% Urban Households	25,4%
% Rural Households	74,6%
Gender breakdown	Males 46,5 % Females 53,5 %
Age breakdown	0 – 14 38,9% 15 – 64 56,9% 65 + 4,2%

Source: Zululand DM GIS 2008

Table 2

Total Rural Household count per category per Local Municipality						
		2001	2007			
LM Name	CATEGORY	Households	Households	% of Total	Growth	% Growth
Abaqulusi	Rural	18666	15714	14.8	-2952	-3.09%
eDumbe	Rural	11097	9843	9.4	-1254	-1.31%
Nongoma	Rural	27105	33289	31.3	6184	6.48%
Ulundi	Rural	25260	29269	27.5	4009	4.20%
uPongola	Rural	13359	18165	17.0	4806	5.03%

Table 3

Total Urban Household count per category per Local Municipality						
		2001	2007			
LM Name	CATEGORY	Households	Households	% of Total	Growth	% Growth
Abaqulusi	Urban	13646	20330	56.1	6684	32.40%
eDumbe	Urban	514	5181	14.3	4667	22.62%
Nongoma	Urban	842	753	2	-89	-0.43%
Ulundi	Urban	2697	6052	16.7	3355	16.26%
uPongola	Urban	2930	3947	10.9	1017	4.93%
		20629	36263	100	15634	76%

The figures shown in the tables illustrate a tendency for a reduction in the Rural Population in Abaqulusi and eDumbe with significant growth in the urban areas. The other municipalities have all experienced rural growth with only Ulundi showing significant urban growth. The official Stats SA figures show that in 2005 there were 144 000 households within Zululand and 964 005 people. This gives an average of 6.763 people per household. The aerial count conducted, shows there is a total of 142 543 households in 2007. If we take the official figure of 6.763 people per household, and multiply it with 142 543, it brings the total number of people in Zululand to 964 018.

The following should be noted with regards to the population of this district:

- Abaqulusi (243766) and Edumbe (101607) local municipalities are home to the highest and lowest proportions of Zululand District's population, respectively.
- In terms of geographic area, Abaqulusi is the largest (4184 km²), Ulundi (3256 km²), uPhongolo (3236 km²), Nongoma (2185 km²) and eDumbe (1948 km²).
- Low levels of urbanization, approximately 68.79% of the people in the District are located in rural areas.
- A female population (53.5%) that is significantly higher than the male population (46.5%) which could be attributed to migration patterns in the province in general.
- There are large disparities in settlement concentrations such that Ulundi and Edumbe are home to the highest and lowest proportion of population, i.e. 26% and 10% respectively.

- Urbanization rates among the local municipalities indicate that Abaqulusi Municipality has the highest rate of urbanization i.e. 56 %, Ulundi follows with 16% and Edumbe at 8%. uPhongolo has 8% urbanisation rate, and Nongoma have a negative urbanization rate.

Executive summary

The ZDM Council has adopted the following long-term development vision:

'We are the Zululand region and proud of our heritage. We are mindful of the needs of the poor and we seek to reflect the aspirations of our communities. We are committed to responsible and accountable actions, tolerance and concern for racial harmony, the protection of our environment, and the strengthening of the role of women and youth. We will strive to improve the quality of life in Zululand by providing sustainable infrastructure, promoting economic development and building capacity within our communities.'

'WE SERVE THE PEOPLE'

A vision is a statement that indicates a desired future scenario, which may be idealistic, and which describes the desired future state towards which the Municipality is working.

MISSION OF THE ZDM

To create an affluent district by:

- Provision of optimal delivery of essential services;
- Supporting sustainable local economic development; and
- Community participation in service delivery

CORE VALUES OF THE ZDM

- Transparency;
- Commitment;
- Innovation;
- Integrity; and
- Co-operation

Political Leadership in the Zululand District Municipality

The Council of the Zululand District Municipality consists of 34 Councilors, 40% of which are proportionally elected and 60% elected to the district municipality from respective local municipalities. The Council is chaired by the Speaker, The Honourable Cllr. N.J. Mjaja.

The Executive Committee is chaired by Her Worship the Mayor Cllr V.Z. KaMagwaza-Msibi. The political parties represented in our council are the IFP (28), ANC (3), and the DA with (3) Councillors respectively.

The following Councillors are currently serving on the Municipal Council; their term of office started in 2006 and shall end in 2011:

*N J Mjaja (Speaker)	
** V Z KaMagwaza-Msibi (Mayor)	*V O Mbuyisa (Deputy – Mayor)
* BB Zwane	MB Mabaso
TR Bunge	NE Zungu
AB Lesala	*JBMavundla
MM Kunene	TB Lukhele
* SE Nkwanyana	SPS Mwelase
JB Ngema	SV Nkosi
MM Mntungwa	JP Ngwenya
MA Shabangu	JA Scheepers
* NP Ndlela	R B Mhlungu
S Z Buthelezi	BA Mtshali
PM Mtshali	ME Ndwandwe
NV Mbatha	NS Qwabe
HS Ngwenya	ME Sishwili
FL Buthelezi	TM Zungu
BS Khanyile	S Mlambo
MZ Mafambani	
* Member of EXCO	
** Chairperson of EXCO	

ZULULAND DISTRICT MUNICIPALITY'S EXECUTIVE COMMITTEE



L-R: Cllr JB Mavundla, Cllr NP Ndlela; Mr JH De Klerk - Municipal Manager; Cllr VZ KaMagwaza Msibi - Mayor; Cllr BB. Zwane; Cllr SE Nkwanyana; and Cllr NJ Mjaja -Speaker; (Not in the picture Cllr OV Mbuyisa - Deputy Mayor)

In order to ensure that there is synergy; and adequate monitoring and control in the performance of the municipality towards achieving the strategic goals that Council set itself; the Council established Portfolio Committees, with each one chaired by an EXCO Member. These Committees meet on a quarterly basis to track the progress that is being made by the municipality in the execution of its plans and programmes in a given financial year.

The following are the Portfolio Committees of the Zululand District Municipality Council and the number of meetings held during the current year of reporting. The number of meetings is compared with those held in the previous period of reporting i.e. 2007/2008 financial year.

PORTFOLIO COMMITTEE	MEETINGS HELD DURING 2007/08	MEETINGS HELD DURING 2008/09
Disaster Management, Health & Safety	2	1
Finance & Budgeting Portfolio	4	0
LED & Tourism Portfolio	3	2
Community & Social Development	6	6
Capex & Water Provision Portfolio	4	3
Planning & GIS	2	0
Audit Committee	4	4
Local Labour Forum	2	3
Executive Committee	14	12
Full Council	6	3

CHAPTER 2: PERFORMANCE HIGHLIGHTS

The purpose of this chapter is to report on the municipality's performance specifically on its core functions, namely, the provision of water and sanitation services. The report is presented under the following headings:

1. Performance score card of council
2. Progress made towards the eradication of service backlogs; and
3. Progress made on the municipality's Strategic Focus Areas

2.1. Performance score card of council

Zululand District Municipality 2008/09 KPI's Strategic Focus Area	SFA No	Focus Area	Objective No	Key Objective	Objective	KPI No	Municipality Council KPI 2008/2009	File	Score	Possible score	Total	Meet Expectation	Score	Weighting	Weighted Score	Responsibility	Baseline	Unacceptable performance (1)	Performance not fully effective (2)	Fully effective (3)	performance significantly above expectations (4)	Outstanding Performance (5)	Agreed evidence
											308	135	270										
1: Service Delivery	1.1	Water & Sanitation	1.1.1	To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in	To improve access to basic services	1	Sec 43 (Rcg 10 (a)) : Percent age of households with access to basic level of water	1	5	5						HOD :TS	52.00 %	52.00 %	52.25 %	52.50 %	52.75 %	53.00 %	Engine er's certificate indicating no. Of hh and communities served.

Zululand District Municipality 2008/09 KPI's Strategic Focus Area	SFA No	Focus Area	Objective No	Key Objective	Objective	KPI No	Municipality Council KPI 2008/2009	File	Score	Possible score	Total	Meet Expectation	Score	Weighting	Weighted Score	Responsibility	Baseline	Unacceptable performance (1)	Performance not fully effective (2)	Fully effective (3)	performance significantly above expectations (4)	Outstanding Performance (5)	Agreed evidence
				the district																			
					To improve access to basic services	2	Sec 43(Reg 10 (a)): Percent age of households with access to basic level of sanitation	1	5	5						HOD :TS	42.00 %	42.00 0%	42.00 5%	42.01 5%	42.02 0%	42.02 5%	Engine er's certificate indicating no. Of hh and communities served.
					To improve on the quality	3	Number of required tests conducted (samples) as per approve	2 (a,b, c&d)	5	5						HOD :TS	550	440	495	550	605	660	1. Results as certified by an accredited laboratory. 2.

Zululand District Municipality 2008/09 KPI's Strategic Focus Area	SFA No	Focus Area	Objective No	Key Objective	Objective	KPI No	Municipality Council 1 KPI 2008/2009	File	Score	Possible score	Total	Meet Expectation	Score	Weighting	Weighted Score	Responsibility	Baseline	Unacceptable performance (1)	Performance not fully effective (2)	Fully effective (3)	performance significantly above expectations (4)	Outstanding Performance (5)	Agreed evidence
					of water delivered		d strategy																WSA written confirmation that the tests were done according to the approved Strategy
					To ensure an adequate continuity of the water supply	4	Average cumulative interruption time during the year of less than 15 days per plant	3 (a&b)	4	5						HOD :TS	20	25	20	15	10	5	Summary of monthly reports to DD on downtime by plant supervisors

Zululand District Municipality 2008/09 KPI's Strategic Focus Area	SFA No	Focus Area	Objective No	Key Objective	Objective	KPI No	Municipality Council KPI 2008/2009	File	Score	Possible score	Total	Meet Expectation	Score	Weighting	Weighted Score	Responsibility	Baseline	Unacceptable performance (1)	Performance not fully effective (2)	Fully effective (3)	performance significantly above expectations (4)	Outstanding Performance (5)	Agreed evidence
					pply service																		
						5	Average response time to rectify breakage in service	4 (a,b,c&d)	4	5						HOD :TS	72	>72hrs	<72hrs	48hrs	24hrs	12hrs	Register of breakages as maintained by DD and signed off by HOD monthly
					To deliver water services at reason	6	Average percentage increase in water services tariff	1	5	3						CFO	CPI +5%	CPI + 3%	CPI +1%	CPI	CPI - 1%		Certified Schedule of approved tariffs compared to CPI as issued by

Zululand District Municipality 2008/09 KPI's Strategic Focus Area	SFA No	Focus Area	Objective No	Key Objective	Objective	KPI No	Municipality Council KPI 2008/2009	File	Score	Possible score	Total	Meet Expectation	Score	Weighting	Weighted Score	Responsibility	Baseline	Unacceptable performance (1)	Performance not fully effective (2)	Fully effective (3)	performance significantly above expectations (4)	Outstanding Performance (5)	Agreed evidence
					na ble tariffs																		STATS SA
					To provide FB S (Free Basic Services)	7	Sec 43(Reg 10 (b)): Percentage of households earning less than R1100 pm with access to free water (Note: Rudimentary LOS included)	5	5	5						HOD :TS	53%	53.00 %	53.01 %	53.02 %	53.03 %	53.04 %	Engine er's certificate indicating no. Of hh and communities served.